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FIRST COUNTRY COOPERATION FRAMEWORK FOR VIET NAM (1997-2000)

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INTRODUCTION

1. The first country cooperation framework (CCF) for Viet Nam for the period 1997-2000 is the result of a continuing consultative process between the Government and UNDP. The process was initiated with the preparation of the country strategy note (CSN), which was approved by the Prime Minister in June 1995.

2. Another major step in formulating the CCF was the preparation of the advisory note, in which UNDP provided the Government with its views on how its cooperation might best support Viet Nam's development efforts. While the note presented the perspective of UNDP, it was none the less prepared in consultation with the Government and the wider society. The advisory note also took into consideration the results of major studies that have been undertaken since the CSN was written, including the report, "Poverty Elimination in Viet Nam", which was prepared with the support of UNDP, the United Nations Population Fund (UNFPA) and the United Nations Children's Fund (UNICEF). Moreover, the note incorporated the results of a series of discussions among relevant Government officials, both at a central and local level, non-governmental organizations and donors with UNDP on specific topics, including poverty, gender, ethnic minorities and reform.

I. NATIONAL DEVELOPMENT SITUATION

A. Development goals and priorities

3. Renovation (doi moi) has served as the basis for the development policy of Viet Nam since 1986. The results of doi moi are impressive: gross domestic product (GDP) has experienced real growth, accelerating to 9.5 per cent in 1995 as compared to 8.8 per cent during 1994; inflation has been brought under control; and progress continues to be made in the transition to a market economy.

4. Doi moi promotes the concept of people-centred development. As the Government explains in its publication "Strategy for Socio-Economic Stabilization and Development until the Year 2000", "an important objective of the strategy is to put people at the very centre of development - the development process must be implemented by the people for the people in order to realize a strong and sustainable development". In its report prepared for the World Summit for Social Development, the Government has further articulated this approach as "a strategy which is centred on the task of caring for, fostering, and developing human potential, which considers human beings as the most powerful engine of development, the creative energy, the source of material and spiritual wealth of a society".

5. In the view of the Government, economic development must serve as the basis for the realization of social policies. In turn, equitable social development is seen as the driving force that creates the sociopolitical stability necessary for sustained economic growth. The basic development goals of Viet Nam for the period 1996-2000 are as follows:

(a) An annual GDP growth rate of 9 to 10 per cent, with the emphasis on industrialization and modernization;

(b) A balance between economic development and social development, with special attention to hunger eradication and poverty elimination, with the goal of halving the poverty rate by the year 2000 and eliminating all poverty by 2010;

(c) The creation of conditions to ensure strong, sustainable growth, with emphasis on the further development of human resources, technological capacities, the environment, infrastructure and the market economy.

B. Current problems and challenges

6. The sections below present the major problems and challenges in the areas identified for United Nations cooperation in the CSN.

Poverty in Viet Nam

7. On the strength of the past promotion of universal primary education and primary health care by the Government, Viet Nam ranks high on some social development indicators, despite a very low GDP per capita - $220 as of 1994. However, economic stagnation during the late 1970s and mid-1980s led to reduced public expenditures for social services, eroding some of the country's past gains in social development. Social sector spending increased again after the introduction of doi moi, but the rate of increase has not been sufficient to meet the rapidly expanding needs for social services.

8. The launching of doi moi is linked to the decline in poverty in Viet Nam. The General Statistics Office (GSO) estimates that poverty was reduced by 6 per cent between 1992 and 1994. Doi moi has provided substantial benefits to the rural population. Some of the earliest reforms, such as the liberalization of trade, the reform of land and lease rights and the decollectivization of agriculture, provided opportunities for the individual farmers to choose their crops, commercialize their production and profit directly from their sale. Nevertheless, poverty still remains widespread. According to World Bank estimates, one half of the entire population is poor, and GSO has found some 20 per cent to be the "poorest of the poor". Both surveys concur that 90 per cent of the poor live in rural areas. However, significant regional disparities exist in the distribution of wealth. In addition, the incidence of chronic malnutrition for children under five years old remains quite high, at 42 per cent.

9. The report "Poverty Elimination in Viet Nam", prepared with the support of UNDP, UNFPA and UNICEF identifies five interrelated and recurring causes for poverty: (a) isolation (geographic, social, linguistic and intellectual); (b) insufficient ability to cope with risks (such as illness, unwanted pregnancies, poor crops or livestock deaths and natural disasters); (c) lack of productive resources (human resources for labour, land or capital); (d) environmental degradation (decreasing incomes due to shrinking forests, land erosion and a decreasing supply of fish); and (e) lack of local-level

participation in the planning and implementation of poverty elimination initiatives.

10. Poverty is disproportionately high in the remote areas of Viet Nam. Poverty among ethnic minorities is complicated by the remoteness of the areas where they live and by their linguistic and cultural differences, which necessitate specially designed poverty mitigation interventions.

11. Insufficient job creation is another serious problem. There are approximately 2 million people unemployed in the urban areas. In the rural areas, underemployment is prevalent, due to the seasonal nature of the work, the small size of farms, and the lack of access to alternative employment or income-generating opportunities. Employment has been increasing by just under 3 per cent in recent years, but the growth of the labour force remains rapid, with an estimated 1.2 million new entrants each year.

12. Although, in general, men earn more than women, a person's location (urban/rural and geographic) and ethnicity are more important determinants of poverty than gender. For instance, both urban men and women do better than their rural counterparts.

13. The current status of women as well as the benefits of education for women are highlighted in a number of reports, including the Viet Nam report to the Fourth World Conference on Women and a recent analytical report on Viet Nam produced by the UNDP country office. The level of schooling attained by mothers has a direct influence on the nutrition, health and education of their children. Educated women achieve greater productivity and profit in agriculture and non-agricultural endeavours and are more likely to use modern family planning methods. Other gender issues in Viet Nam concern the participation of women in the socio-economic and political life of the nation.

Continuing the reform process

14. Viet Nam's economic and institutional renovation must be seen as a long-term process that is still incomplete. The momentum in legal and public administration reform must be strengthened, so that slow progress in those areas does not constrain future economic growth or negatively affect stability and equity. There is a continuing need for the reform of Viet Nam's public sector institutions, to enable them to cope with and manage the rapidly changing economic and social situation. The renovation programme is decreasing the role of the Government in direct intervention in economic operations, while the shift to a market economy has created the need for the Government to perform in new roles or to perform in old roles in a different manner.

15. The efficient performance of all sectors of the economy is necessary for continued economic growth. The Government continues to strengthen its capacity to create an enabling environment favourable for growth and is redoubling its efforts to enhance mutually supportive cooperation for development among the Government, non-government institutions, the private sector and the wider society.

16. An important element of doi moi is the promotion of the open door policy. Viet Nam has immediate needs to develop policies and capacities in relation to regional and global bodies and agreements, such as the Association of South-East Asian Nations (ASEAN), the World Trade Organization (WTO) and the Mekong River Commission, and to integrate the obligations of these relationships into the mainstream of national development efforts.

Environmental problems

17. Although Viet Nam has diverse natural resources, on a per capita basis they are relatively limited. Forests and cropland have become particularly scarce. Agriculture, fishery and forestry remain a significant part of Viet Nam's GDP and are also the main source of income in the rural areas. Since the very poor frequently lack economic alternatives and must rely on natural resources for their livelihood, environmental degradation may spell the difference between adequate income and poverty. With population growth still exceeding 2 per cent per annum, the pressures on a dwindling resource base can be expected to intensify.

18. Urban and industrial pollution are also becoming a major cause of environmental problems. Only 23 per cent of the urban population is served by a water-borne sewerage system, with the remainder using septic tanks or pit latrines that contribute to ground water contamination. Inadequately treated sewage and industrial waste are discharged into the river systems in the major cities, increasing the incidence of water-borne diseases among children. The rapid growth in industry poses an increasing threat to both air and water quality and may begin to impose large costs on health and production.

II. RESULTS AND LESSONS OF PAST COOPERATION

19. The fourth country programme, which covered the period 1992-1996, was conceived to support Viet Nam's renovation process, with a broad focus on policy advisory support and capacity development. The fourth country programme marked a significant departure from the previous three country programmes, which concentrated on the transfer of technology. In view of the rapid changes associated with doi moi during the fourth country programme, the Government and UNDP agreed to focus UNDP cooperation on (a) economic reform; (b) environment and natural resource management; and (c) social adjustment. Initial efforts were undertaken in the key areas of economic, legal and public institution reform.

20. The mid-term review of the fourth country programme, which was carried out in early 1995, concluded that UNDP has been one of the most important sources of technical cooperation to the Government in its efforts to enhance national capacities for the management of development. The Government noted in particular that UNDP had a major impact on the formulation and implementation of doi moi. Furthermore, the mid-term review stressed that the three main programme areas of the fourth country programme are of continuing relevance and that UNDP funds should continue to be used as seed money for catalytic purposes. The mid-term review also identified a number of problem areas for which solutions should be sought during the remaining period of the fourth country

programme, and certainly prior to the launching of the successor to that programme, in January 1997. For instance, delays were encountered during the Government's approval process; there was inadequate coordination of technical cooperation with other donors; and the capacity of counterpart personnel was far from sufficient to cope with the rapid shift to the national execution modality. The mid-term review recommended that throughout the remainder of the fourth country programme, more projects and programmes should be developed in the areas of social adjustment and environment and natural resource management. Finally, the mid-term review concluded that the impact of the fourth country programme could be enhanced in the future by increasing the number of interventions at the provincial and local levels.

III. THE GOVERNMENT'S STRATEGY FOR COOPERATION WITH UNDP

21. Given the experiences of the fourth country programme and the comparative advantage of UNDP, the Government proposes that the overarching objective for UNDP during the period of the first CCF in Viet Nam will be to assist Viet Nam in promoting sustainable, people-centred development, with poverty elimination as its main focus. Thus, UNDP assistance would be fully in line with the basic concept of the Government's "Strategy for Socio-Economic Stabilization and Development Until the Year 2000", which places people at the centre of development and which promotes the potential of individuals and communities as well as of the whole nation. It is also in direct response to the call made by the Prime Minister of Viet Nam, on the occasion of the 1995 United Nations Day, for the focus of the cooperation activities of United Nations agencies to be on assisting the Government to eradicate hunger and alleviate poverty in the country.

A. The country strategy note

22. The Government's strategy for cooperation with UNDP is based largely on the extensive strategic planning exercise for cooperation with the United Nations system as a whole, which resulted in the production of the CSN. The express purpose of the CSN was to establish a framework for the programming of the future cooperation to be provided by all agencies of the United Nations system, based on the development priorities of the Government and in line with the mandates of the United Nations system agencies. This strategic planning exercise involved extensive consultation among all concerned agencies of the Government with resident and non-resident agencies of the United Nations system. The Prime Minister officially approved the CSN, which was published and distributed in June 1995 as a Government document in both Vietnamese and English.

23. The CSN views the underlying role of United Nations system cooperation as "mobilizing resources for sustainable development". It notes that "the Government of Viet Nam and the resident United Nations agencies have agreed that 'sustainable development' should be the ultimate goal of development activities". The Government has determined that the CSN is the basis for formulation of cooperation frameworks with United Nations agencies, including the present CCF with UNDP.

24. The CSN identified three main areas for UNDP support: (a) social development; (b) economic, legal and public administration reform; and (c) environment and natural resource management. The Government is now proposing that the first CCF respond to these three areas of concentration, as reflected in Chapter V below. The UNDP emphasis on poverty elimination in the social sector is the direct result of consultations among all concerned parties and supports Viet Nam's own poverty elimination strategies. The continuing support of UNDP for the doi moi process, and reform in general, remains critical for the industrialization and modernization of Viet Nam. Finally, UNDP cooperation in the area of environmental protection and natural management has assumed increased importance.

B. The Government's strategy for use of UNDP resources

25. Based upon the recommendations of the mid-term review and subsequent consultations, the Government intends to leverage UNDP support in a catalytic manner. In all three areas of concentration, as detailed in chapter V below, the Government intends to turn to UNDP for assistance, where UNDP has demonstrated competence and a decided comparative advantage, as outlined below:

(a) Provision of high-quality policy advice from international sources regarding basic issues in each area of concentration, so that the Government can consider a variety of options for policy-making and the creation of broader "enabling environments" for participatory problem-solving;

(b) Capacity development assistance for key national, regional, provincial and local institutions in the areas of research, analysis, policy formulation, management and implementation for programme activities, with particular attention to capacity development assistance for poverty elimination and aid coordination and management;

(c) Assistance in the development or refinement, where appropriate, of national programme frameworks for the implementation of activities in the three areas of concentration and methods to establish benchmarks and measure impact;

(d) Assistance for the mobilization and coordination of aid resources from other bilateral and multilateral sources, particularly from other agencies of the United Nations system, to address the priorities and opportunities identified in the CSN;

(e) Continued assistance to facilitate Viet Nam's relations with regional and international organizations, such as the Mekong Commission, ASEAN and WTO, and implementation of the commitments of regional and global conferences, especially those emanating from the United Nations Conference on Environment and Development, the Fourth World Conference on Women and the World Summit for Social Development.

26. In addition to specific programming efforts, UNDP should continue to work in three service areas: aid coordination, advocacy and resource mobilization. In general, work in the three service areas would include: (a) aid coordination support services to the Government, the United Nations community, other donors

and the outside world; (b) mobilization and concentration of additional international assistance for Viet Nam in general and to support the CSN in particular; and (c) advocacy in support of development concepts introduced at various international conferences.

27. The Government/UNDP strategy incorporates a cross-sectoral approach to gender. Where appropriate, projects and programmes will promote the advancement of women within the framework presented by the Government at the Fourth World Conference on Women, held in Beijing, China in September 1995. Moreover, special attention will be paid to ensuring the development of the capacity of women to play an increasingly important leadership role in social, economic and political decision-making.

C. Strategy for poverty elimination

28. The Government and UNDP have agreed upon a Poverty Elimination Action Plan for 1996-1997 with the following strategic objectives:

(a) To support the Government's commitment, as announced at the World Summit for Social Development, to the goal of eliminating poverty in Viet Nam by the year 2010;

(b) To develop capacities within the Government, including at the provincial and district levels, to formulate, implement, manage, monitor and evaluate the impact of an integrated National Programme for Hunger Eradication and Poverty Reduction (HEPR) and to create an enabling environment for poverty elimination;

(c) To develop a broad policy and programme framework of coordinated assistance within which the Government, local communities, United Nations agencies and other donors can work together to eliminate poverty in Viet Nam.

IV. PROPOSED STRATEGY AND THEMATIC AREAS

29. As indicated above, the first CCF is based upon the recommendations of the CSN and identifies three areas of concentration: (a) poverty elimination and social policies; (b) reform and development management; and (c) environment and natural resource management. With respect to all three areas, UNDP cooperation will stress capacity development and the strengthening of the enabling environment. In additional, three cross-cutting areas of focus - aid coordination, advocacy and resource mobilization - and these will underpin each of the three areas of concentration.

30. UNDP cooperation will also support the key elements of the Government of Viet Nam's own five-year plan for the period 1996-2000.

A. Poverty elimination and social policies

31. The Government of Viet Nam has committed itself to reducing the incidence of poverty from 20 per cent in 1995 to 10 to 12 per cent by the year 2000. UNDP intends to assist the Government in realizing this goal through four main areas of intervention:

(a) Direct assistance for poverty reduction through a four-pronged approach:

(i) Provision of technical cooperation to assist in the formulation of the national poverty elimination programme and the national HEPR programme;

(ii) Provision of sustainable micro-finance services to the working poor;

(iii) Provision of employment and asset creation services to the very poor and destitute, through the development and testing of sustainable rural micro-finance delivery systems and small- and medium-scale enterprise promotion (pilot micro-finance projects for both the working poor and the very poor will be tested in at least three of the poorest provinces);

(iv) The development of food and agro-processing industries in support of food security;

(b) Support to the Government's objective to provide universal access to basic infrastructure and social services through:

(i) The promotion of sound social public investments that will measurably reduce the burden placed on the poorest and most vulnerable groups, such as ethnic minorities and women;

(ii) Strengthening the capacities of relevant government agencies to plan and deliver social investments and services;

(iii) Building national capacity to integrate social, physical, economic and environmental aspects of urban management (using participatory approaches for the provision of basic infrastructure and social services through self-help and community-based approaches);

(c) Strengthening national capacity to formulate and implement social policies and reforms which complement the ongoing economic, public administration and legal reforms. Key components of this will be:

(i) Capacity-building for socio-economic data collection analysis;

(ii) Assistance to meet the commitments of the World Summit for Social Development and implement the country's five-year development plan;

(iii) Capacity-building for the coordination, planning and management of the human immunodeficiency virus (HIV)/acquired immunodeficiency syndrome (AIDS);

(d) Support to the national Committee for the Advancement of Women in the implementation of the Platform for Action agreed in Beijing, in the following areas:

(i) Provision of training opportunities for more than 2,500 women;

(ii) Training of key senior decision-makers, both male and female, in gender analysis;

(iii) Mainstreaming of gender issues into public policy.

32. UNDP will also support the formulation of reports analysing key issues, including the impact of reform on poverty, gender and internal migration.

33. In terms of aggregate government expenditure and current statistics on official development assistance (ODA), Viet Nam has already fulfilled the terms of the 20:20 compact agreed to at the World Summit for Social Development. At a December 1995 meeting of the Consultative Group for Viet Nam, all major donors supporting the Viet Nam development effort expressed interest in poverty elimination and social policies.

34. At the national level, impact will be seen in terms of an improved enabling environment for overall poverty elimination efforts. The impact of activities carried out in this area under the first CCF will be measurable in terms of improved national capacity for the formulation and implementation of social policies, including the enhanced ability to collect and analyse socio-economic data. Gender issues will have been mainstreamed into public policy decision-making and an increased number of women will have been trained for leadership roles. In addition, programme impact will include the decentralized capacity to implement HEPR; expanded access and sustainable delivery of credit to the rural poor; expanded access to social services, including health, education and sanitation, among the poor in urban and rural areas, as well as among ethnic minorities; implementation, at least on a pilot basis, of new strategies for employment and the reduction of underemployment; and implementation of an effective strategy for HIV/AIDS prevention. At the grass-roots level, projects such as the HEPR pilot projects will be designed from the outset to include the measurement of impact on the poor. In particular, baseline data will be collected, and where appropriate, rapid appraisals will be undertaken.

B. Reform and development management

35. The objectives for cooperation in the area of reform and development management are to:

(a) Promote sound macroeconomic management and the appropriate and efficient role of the State in the market economy as well as the development of other economic sectors, including the private sector;

(b) Develop a comprehensive legal framework to support the current socio-economic reform efforts;

(c) Strengthen the public legislative, executive and judiciary institutions, while fostering a favourable enabling environment and encouraging active public participation and partnerships.

36. The achievement of the above-mentioned objectives will contribute to the Government's overall strategy of growth, stability and equity, the achievement of which, in turn, is essential for poverty elimination. More specifically, a more effective and efficient public administration will enable the Government to deliver essential services to the poor, especially those living in rural areas.

37. To consolidate gains made during the fourth country programme, UNDP will continue to provide policy advice and support in the area of macroeconomic reform, legal reform and private sector development, and introduce new efforts to integrate social sector and environmental concerns. One major programme will support the expansion of public administration reform into institutions at the provincial and local levels. Another programme will support capacity development of the Office of the National Assembly, the Supreme People's Court and the Supreme People's Procuracy. As a part of the move towards decentralization, capacity-building assistance will be extended to the provincial and local levels. Other areas of potential assistance include advisory support on national development planning and the creation of a national employment strategy, with particular attention to the creation of small- and medium-scale enterprises. In addition, to facilitate the integration of Viet Nam into the regional and international communities, UNDP will continue to support capacity-building in Viet Nam, so as to enable the country to fulfil its responsibilities as a member of ASEAN. UNDP will also facilitate Viet Nam's entry into WTO, as well as the harmonization of international laws governing standards and investment into the body of existing and future national laws and regulations.

38. The Government is committed at the highest level to continuing the doi moi process. During the next plan period, the Government will allocate substantial resources to further the reform effort. Moreover, both multilateral and bilateral donors remain interested in providing support for this area.

39. The impact of activities within the area of reform and development management will be measured in terms of new legislation that translates into increasing the level of confidence of foreign and domestic private investors; enhanced capacities in legislative, executive and judiciary institutions at both the central and local levels, including more highly trained judges and public prosecutors; an improved capacity for macroeconomic management, as manifested in a more efficient and smoother steering of the economy; increased government partnerships with non-State organizations and individuals for development translated into more active popular participation in the planning, management and monitoring of public investment and public services; improved efficiency of

service delivery systems at the provincial and local levels; increased use of the public investment plan at the national and provincial levels, including a dramatic increase in the number of officials trained in project operations.

C. Environment and natural resource management

40. The objectives of the environment and natural resource management area of concentration are to develop Government capacity to:

(a) Incorporate environmental concerns into decision-making;

(b) Promote sustainable utilization of natural resources;

(c) Reduce the impact of urban and industrial pollution in key industrial areas;

(d) Reduce the impact of natural disasters through strengthening disaster-preparedness, relief and mitigation.

41. In pursuit of the four above-mentioned objectives, emphasis will continue to be placed on the prevention aspects of environmental policy and on a more integrated approach to environmental protection and economic development. With regard to the objective of incorporating environmental concerns into decision-making, in order to complement ongoing efforts to promote voluntary compliance with environmental protection standards (through environmental awareness, education and training), UNDP will assist the Government in further developing environmental legislation and regulatory instruments for sound environmental management. Assistance will also be provided for environmental valuation, monitoring and reporting and assessment of policies and programmes. Indicators of success will include the fuller incorporation by the Government of environmental concerns into investment and public policy decision-making, including at the local level, as measured by the introduction of market-based instruments, strengthened environmental compliance, increased awareness of decision makers and increased budget allocations.

42. For the promotion of the sustainable utilization of natural resources, the focus will be on the development of sustainable farming systems, including integrated pest management, rural energy, and the conservation of remaining biodiversity. Success will be measured by an increased allocation of funds for biodiversity conservation and a closer integration of biodiversity concerns with rural development activities.

43. In order to reduce the growing threat posed by urban, industrial and agricultural pollution, the Government and UNDP will promote an area-wide environmental quality management approach for pollution reduction. An indicator of success will be a reduction in the levels of pollution affecting the water supply of Hanoi, Ho Chi Minh City and other major urban areas. Capacity will be developed to formulate realistic standards for different water usages in the Red River and Dong Nai River.

44. To reduce the impact of natural disasters, the disaster management initiative undertaken during the fourth country programme will be expanded to all of Viet Nam. The aim will be to link 75 per cent of disaster-prone districts to a nationwide disaster management and training network.

45. UNDP will continue to assist the Government to formulate and implement projects and programmes which position Viet Nam to fulfil international environmental obligations. Areas of concern include international waterways, climate change and the loss of biodiversity. Resources will be mobilized from the Global Environment Facility (GEF), Capacity 21 and the Montreal Protocol. Government resources to be dedicated to this area of concentration during the next planning period will substantially increase as compared to those for the 1991-1995 planning period.

D. Service areas

Aid coordination and management

46. At the Government's request, UNDP has acted as the lead donor agency to support the Government in aid coordination and management since 1993. UNDP will continue to provide services in this area, including: (a) resources and technical advice to strengthen the Government's institutional and human resources capacity to better coordinate and manage foreign development assistance; (b) assistance to the Government in preparation of annual consultative group and sectoral aid coordination meetings; (c) support for the development of aid information-sharing meetings and essential support services for aid coordination and management, including monthly donor meetings and working groups on various programmes and ODA implementation issues; (d) the inclusion of aid coordination components in all new programmes and projects; and (e) coordination of United Nations system activities. UNDP will promote the use of electronic networks in support of improved aid coordination.

47. UNDP cooperation for aid management will include the enhancement of capacities at the local level for project cycle planning and management and for other government systems and processes. Support may also be provided to strengthen the capacity of national agencies to manage all types of ODA-funded projects.

Advocacy and international conferences

48. UNDP will continue to actively support the Government in its follow-up to the various international development conferences. Global meetings such as the United Nations Conference on Environment and Development, the International Conference on Population and Development, the World Summit on Social Development, the Fourth World Conference on Women and the Second United Nations Conference on Human Settlements (Habitat II) have enabled the Government to examine in great detail important global issues and to articulate its own national policies. Follow-up activities have been initiated, and momentum must be maintained so that the important issues raised by the conferences continue to receive the attention and support they deserve in national and local development priorities.

Resource mobilization

49. The Government will work with the UNDP country office in an increasingly proactive manner in resource mobilization for both domestic and external financial support. The resource mobilization strategy is outlined in section V below.

V. MANAGEMENT ARRANGEMENTS

A. Management of the cooperation framework

50. In keeping with the existing cooperative relationship, the Government and UNDP will jointly manage the CCF, including the detailed formulation of activities derived from the present document, the appraisal and approval of individual programmes and projects, the monitoring and review of actual implementation and impact and the evaluation of results. In light of increased decentralization, the Government and UNDP are actively working together to determine ways and means to streamline the management processes for the delivery of UNDP cooperation in particular and ODA in general.

51. Both the Government and UNDP support the expansion of the national execution modality and have jointly developed a national execution manual, which has been in use since 1 January 1996. The manual has facilitated the implementation of nationally executed projects. National execution will continue to be utilized to the greatest extent possible, but only after a careful assessment of the management capacity of the potential national executing agency at the time a programme is under formulation. UNDP resources will continue to be used for advisory, administrative and logistical services in support of programme implementation, especially the implementation of nationally executed programmes.

52. Through the use of the programme approach, aid coordination and resource mobilization, UNDP and the Government are seeking broadly based partnerships with other donors for the funding of activities in the present CCF. In this regard, the Government supports bilateral and multilateral cost-sharing with UNDP, in the interest of coordinated management. In addition to partnerships with national government agencies, partnerships for the implementation of UNDP-assisted activities are being formed with national and international non-governmental organizations (NGOs), provincial and urban governments and the private sector. While these partnerships should increase the support for activities to be undertaken during the present CCF, they will also add complexity and require additional attention to programme management arrangements.

53. As requested by Government, the United Nations specialized agencies are expected to play two major roles: (a) to provide technical guidance, as appropriate; and (b) to mobilize the international inputs necessary for the successful implementation of the programme, particularly in their area of technical expertise. As recommended at the mid-term review of the fourth country programme, efforts will be made to promote the use of national experts, when applicable, in the implementation of projects. A project developed under

the fourth country programme to integrate volunteer services, including the United Nations Volunteers programme, the United Nations Short-Term Advisory Services and the Transfer of Knowledge Through Expatriate Nationals programme will continue to be implemented under the present CCF, to build management and technical capacity in the emerging private and non-State sectors.

B. Linkages to the regional and subregional programmes

54. As noted in the mid-term review, Viet Nam has not thus far taken full advantage of and benefited from regional and subregional activities supported by UNDP. Due attention should therefore be paid to a fuller integration of these activities with the national priorities identified through the annual consultative group meeting and the CSN process. Linkages with the UNDP regional programme for Asia and the Pacific and its subregional components should be enhanced, especially in the areas of poverty elimination and environment and natural resource management.

C. Monitoring and review

55. The present CCF will be subject to periodic reviews, comprising the following: systematic annual reviews to be held between UNDP and concerned government agencies to ensure that the objectives and programme areas remain relevant to national needs and development priorities, and an in-depth mid-term review in mid-1998 that will include the participation of all concerned government counterparts, donors, NGOs and other partners and culminate in a mid-term review meeting.

56. The Government and UNDP intend to focus on both performance impact assessment at the project level and issues of aid accountability. To monitor the impact of the cooperation, in terms of both UNDP initiatives and wider Government policies, regular updates of the poverty situation in Viet Nam will be carried out through the analysis of available statistics and information. Since baseline data were established with the Viet Nam Living Standards Survey in 1992-1993, it is proposed UNDP support a second survey in 1997. This second survey will allow for an assessment of the changes in the situation of poverty and gender in the country.

57. As a follow-up to the recommendations of the CSN, UNDP will also explore with the Government the possibility of organizing a common country assessment and a consolidated review of United Nations system operations in Viet Nam.

D. Resource mobilization strategy and targets

58. The strategy for resource mobilization will consist of the following elements: first, the UNDP country office will collaborate with the Government to prepare sound proposals for funding under line 1.1.2 (funds assigned regionally for country application) of the target for resource assignment from the core; second, the country office will actively identify specific opportunities for accessing UNDP-administered funds such as GEF, Special

Programme Resources and other trust funds. Third, the UNDP country office will work closely with the Government to ensure that other donors are involved at the outset of the programming exercises under the present CCF to encourage joint programming. UNDP will also assist in the development of national programme frameworks, as appropriate, during the formulation of new interventions. These efforts are envisaged as creating additional opportunities for cost-sharing or co-financing with other donors, including the private sector. The Government will encourage multilateral and bilateral donors, within the framework of the Consultative Group for Viet Nam, to cost-share their contributions with UNDP, in order to enhance and facilitate management of programme activities, in support of Viet Nam's national priorities.

59. The resource mobilization targets in the annex below estimate the total resources (core and non-core) expected to be available to support the programme areas in the present CCF. Financial resources have been allocated for the initial period 1997 through 1999.

Annex

RESOURCE MOBILIZATION TARGET TABLE FOR VIET NAM (1997-2000)

(In thousands of United States dollars)

Source	Amount	Comments
UNDP CORE FUNDS		
Estimated IPF carry-over from the fifth cycle	9 000	
TRAC 1.1.1	31 909	Assigned immediately to country.
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.
SPPD/STS	3 465	
Subtotal	44 374 a/	
UNDP NON-CORE FUNDS		
3.0 Government cost-sharing	500	
4.0 Third-party cost-sharing	15 000	
5.0 Sustainable development funds (GEF, Montreal Protocol)	10 000	
6.0 Other (UNIFEM)	6 000	
Subtotal	31 500	
GRAND TOTAL	75 874 a/	

a/ Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: CCF = country cooperation framework; GEF = Global Environment Facility; IFP = indicative planning figure; SSPD = support for policy and programme development; STS = support for technical services; TRAC = target for resource assignments from the core; UNIFEM = United Nations Development Fund for Women.